

## **ABSTRACT**

A method, system, and software that provides insurance for costs resulting from an audit by a taxing authority, that includes accessing data relating to tax audit costs assessed by the taxing authority correlated to one or more parameters of taxpayers. Average tax audit costs are calculated for one or more groups of taxpayers using the data related to the tax audit costs such that each group is uniquely identified by at least one of the parameter for a taxpayer, and a premium rate to be charged is determined for each group of taxpayers based on the calculated average tax audit costs. The data relating to tax audit costs is obtained from information published by the taxing authority.